

## Message Text

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50  
ACTION EUR-12

INFO OCT-01 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00 CIEP-01

COME-00 DODE-00 EB-07 FEAЕ-00 FPC-01 H-01 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-01 TRSE-00 FRB-03 XMB-02 OPIC-03

LAB-04 SIL-01 PA-01 USIA-06 PRS-01 /100 W

----- 093749

R 191127Z FEB 75  
FM AMEMBASSY OSLO  
TO SECSTATE WASHDC 9323  
INFO AMEMBASSY BONN  
AMEMBASSY BRUSSELS  
USEC BRUSSELS  
AMEMBASSY COPENHAGEN  
AMEMBASSY THE HAGUE  
AMEMBASSY LONDON  
AMEMBASSY OTTAWA  
USMISSION USNATO  
AMEMBASSY PARIS  
USOECD PARIS  
AMEMBASSY STOCKHOLM

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E.O. 11652: N/A  
TAGS: ENRG NO  
SUBJ: PRELIMINARY REACTION TO NEW OIL TAX PROPOSALS

REF: OSLO 675

1. AMERICAN OIL COMPANIES IN NORWAY ARE ANALYZING THE NEW  
TAX PROPOSALS BUT STATE THAT PROPOSALS ARE SO COMPLICATED THAT  
THEY WILL PROBABLY BE UNABLE TO COMMENT ON THEIR IMPACT UNTIL  
LATE THIS WEEK OR EARLY NEXT. PRELIMINARY REACTION OF MOST  
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COMPANIES IS THAT PROPOSALS ARE ABOUT WHAT WAS EXPECTED, AL-  
THOUGH SOME SAY THEY ARE SOMEWHAT STIFFER THAN ANTICIPATED.

PHILLIPS CONFIRMS GOVERNMENT FIGURES FOR TAKE FROM EKOFISK  
BETWEEN 1976-80 (\$12-13 BILLION) ARE FAIRLY ACCURATE.  
PHILLIPS ALSO SAYS THAT IT MAY NOT DEVELOP SOME OF THE  
SMALLER FIELDS IN THE EKOFISK COMPLEX AS THEY MAY BE  
UNPROFITABLE WITH NEW SPECIAL TAX.

2. SOME NORWEGIAN COMPANIES ARE REPORTED TO BE CONSIDERING TAKING GOVERNMENT TO COURT ON GROUNDS THAT NEW PROPOSALS ALTER TERMS OF CONCESSIONS AND ARE THEREFORE EX POST FACTO CONTRACT CHANGES AND ILLEGAL. SEVERAL AMERICAN COMPANIES HAVE EXPRESSED CONCERN OVER GOVERNMENT'S ABILITY TO ALTER 25 PERCENT SPECIAL TAX RATE AND UNCERTAINTIES THIS CREATES.

3. AMERICAN COMPANIES, WHICH WERE AWARDED SHARES OF THE FIVE CONCESSIONS GIVEN OUT LATE LAST YEAR, STATE THAT SEVERAL COMPANIES, SOME AMERICAN, WITHOUT CONCESSIONS ON THE NORWEGIAN SHELF ARE WILLING AND WAITING TO PICK UP ANY AWARDS REJECTED OR TURNED BACK. THEY SAY THIS MAKES IT MORE DIFFICULT FOR THEM TO REJECT THE AWARDS EVEN IF THE NEW TAX PROPOSALS MAKE THEM LESS ATTRACTIVE, ESPECIALLY IF THEY HOPE TO PARTICIPATE IN FUTURE AWARDS EITHER SOUTH OR NORTH OF THE 62ND PARALLEL. AT PRESENT THEY HAVE UNTIL THE END OF THE MONTH TO ACCEPT OR REJECT THEIR AWARDS.

BYRNE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, PETROLEUM CONCESSIONS, PRICES, TAXES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 19 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975OSLO00702  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750059-0183  
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**Office:** ACTION EUR  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** LIMITED OFFICIAL USE  
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EO Systematic Review  
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**TAGS:** ENRG, NO, US  
**To:** STATE  
**Type:** TE  
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